



Purpose: For Decision

Committee report

Committee	CABINET
Date	TUESDAY, 14 FEBRUARY 2012
Title	REVIEW OF CHILDREN'S SOCIAL WORK SERVICE IMPROVEMENTS AND MARKET SUPPLEMENTS
Report of/to	CABINET MEMBER FOR CHILDREN'S SERVICES AND EDUCATION

EXECUTIVE SUMMARY

1. This paper states the case for maintaining enhanced levels of pay to child social workers. This enhancement has proved successful in addressing historic recruitment issues and has helped bring about a number of improvements in child social care provision.

Since enhancements were introduced in 2010, staff turnover, absenteeism and the use of agency staff have all fallen, the number of children in care, including those in mainland placements, have reduced and the number of children subject to child protection plans had also dropped significantly. In addition, the number of initial assessments completed within timescales has risen. A number of improvements have been noted by Ofsted who were 'positive and optimistic' for the future of the service.

On 9 June 2010, under delegated decision, a report was brought to Cabinet proposing that market supplements were added to the children's social work salary level in order to bring them up to the South East regional median. At that point, children's social work vacancies on the Island were running at over 40% of the workforce and it was estimated that over £965K was being spent on employing agency staff in order to keep the service safe. The proposed recommendation stated that the purpose of the uplift was to tackle "the recruitment, retention and performance issues faced by the service".

2. The paper also referred to other areas of development needed (in order to secure improved service quality and support a recruitment and retention strategy.) These were as follows:
 - Technological support for our social workers in mobile working patterns.
 - Data importing systems (in essence – moving away from Swift/ICS to a much improved system and accompanying this with a robust implementation and training plan).
 - Certainty around accommodation arrangements for staff.
 - Training and workforce development.

3. The recommendation was approved along with an expectation that this uplift be reviewed after a year to establish whether a correlating improvement in recruitment, retention and performance could be established.
4. For reasons that will be set out in the body of the report, the recommendation is that the 'Market Supplement' is now guaranteed but the council would continue to review in order to validate its contribution toward the significant improvements in children's social work delivery, and address remaining recruitment and retention issues.

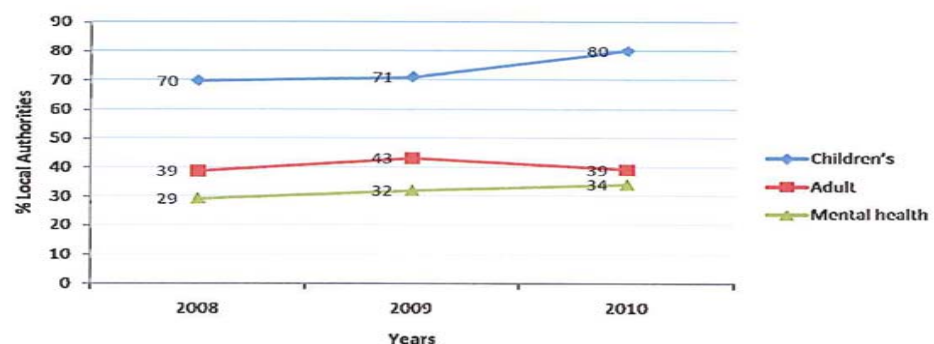
BACKGROUND

5. In addition to the local research undertaken to inform the recommendation in June 2010 to approve a short term salary enhancement together with other identified developments needed to address the immediate need to take action to improve service outcomes, there has been a national working group established to consider in more detail the situation in respect of the social worker workforce. The National Joint Council for Local Government Services Working Party on Recruitment, Retention and Career Progression of Social Workers as it is known, in its Final Report, published in Dec 2011 made the following statements regarding social work recruitment and retention:

"Over the past decade, the proportion of English LAs reporting difficulties in recruiting children's social workers rose rapidly from 48 per cent in 2001 to 75 per cent in 2003 before dropping back to around 68 per cent in 2004 and 2005. There appears to have been a rise in 2006, followed by a drop in 2008, but then a steady rise from 2008 to 2010 (to 78 per cent).

The National Joint Council for Local Government Services
Working Party on Recruitment, Retention and Career Progression of Social Workers - Final
Report December 2011

Figure 1: Proportions of LAs reporting difficulties in recruiting social workers by type (England and Wales), 2008-2010



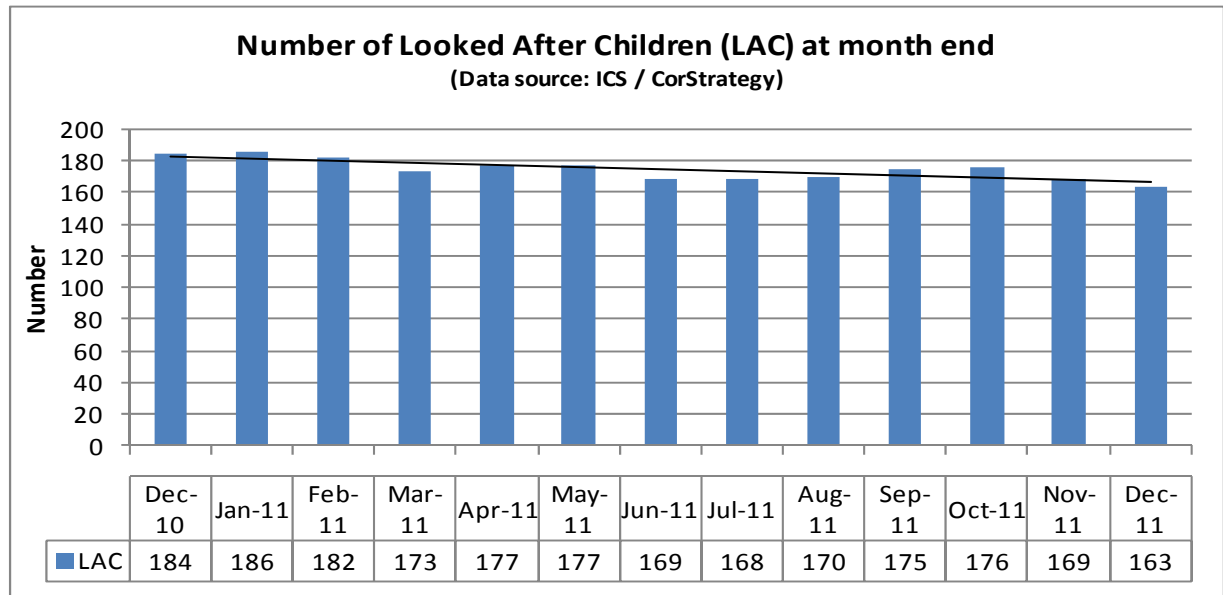
Sources: IDeA, LGE and LGA, 2008, 2009; LGA 2010a

6. Local authorities experienced similar difficulties in retaining social workers, although retaining staff appeared to be a less widespread challenge than recruiting them in the first place. There were particular difficulties in retaining children's social workers.
7. Over the past decade, the proportion of English LAs reporting difficulties in retaining children's social workers rose rapidly (from 30 per cent in 2001 to 54 per cent in 2003), dropped back slightly between 2004 and 2006 and then rose again sharply from 2008 to 2010 (to 85 per cent).

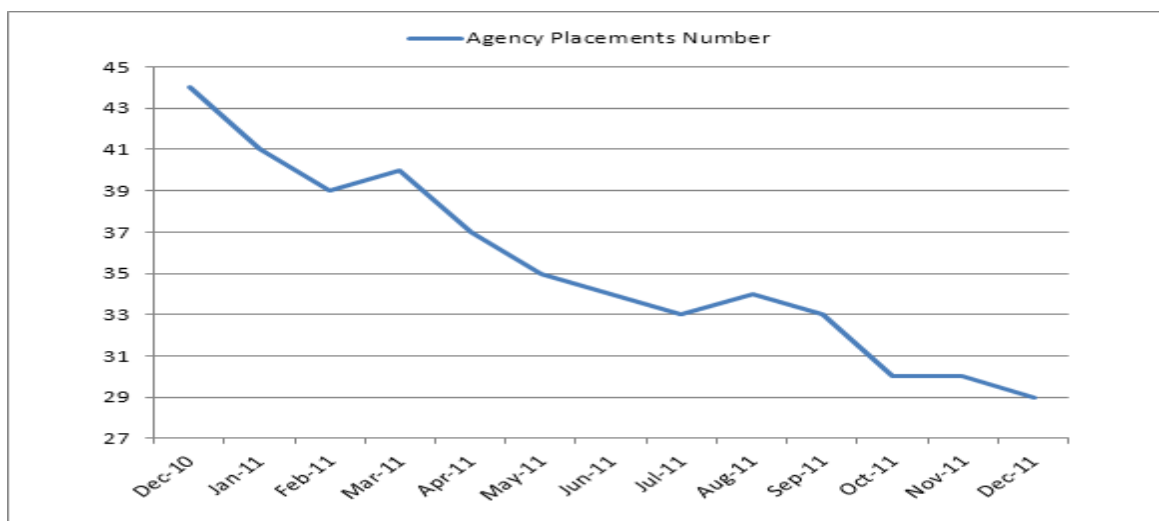
8. Research suggests that the main reasons affecting social worker recruitment in the last 20 years were:
- Poor image, low status, lack of public recognition and negative media coverage.
 - Low pay and increasing competition from more attractive careers
 - A lack of career information and an unclear career path.
9. The justification for the provision of a market supplement for children's social workers in June 2010 was therefore made on the basis that vacancy rates were much higher comparatively than other areas of the social work workforce and therefore targeted action was needed to address this area of significantly difficult and hard to retain occupational function. The final report of the National Joint Council for Local Government Services Working Party on Recruitment, Retention and Career Progression of Social Workers, published in Dec 2011 further strengthens this view and makes recommendations for job evaluation scores to be reviewed against nationally agreed job role profiles. This will be undertaken as part of the council-wide pay structure and job evaluation project that will commence in April of all posts including social workers. Pending the outcome of this activity, there remains a continued justification for guaranteed market supplement to continue in this area.
10. Following Cabinet approval of the market supplement in June 2010, a recruitment campaign took place. New staff joined the authority at the end of 2010/beginning of 2011. At this point, it was deemed that the outcome of the market supplement was a success and that the staff vacancy rate had dropped to just 7%. Nevertheless, despite the additional staff, performance required a step-change and the Ofsted Inspection of Children's Services in September 2010 found the service to be 'Adequate'. At the end of January 2011, a significant restructure of Children's Services ('Reclaiming Social Work') commenced. Over the following six months, almost the entire children's workforce was placed at risk and re-applied for new roles. Despite this upheaval, the combination of the market supplement and the new organisational structure has resulted in some clear improvements in performance, budget and staff sickness. A headcount of new staff joining children's services as a result of the introduction of the market supplement and subsequent restructure shows that there have been 15 new social workers.
11. **Improvements over the last 12 months**
- 11.1. **Children In Care** - In December 2010, there were 184 children in care. In December 2011 there were 163. There are a number of reasons why it is positive to have fewer children in public care. The first of these relates to the fact that many children do not fare well within the care system particularly when they have come into care at an older age. The mental health and school attainment of looked after children is well-known to be poorer than their peers. There are also well-researched correlations between care leavers and homelessness, criminality, unemployment and repeated cycles of poor parenting. Our ambition is to maintain more children safely within their families through the resourcing of preventative services.

The second reason why it is preferable to have fewer children in care is the cost to the authority. The largest element of the children's social care budget is spent on these 163 children. There is then an increased risk of these children demonstrating behaviours that are beyond the ability of local authority foster carers to contain, necessitating the purchase of high-cost and frequently off-island care placements.

Finally, aside from the cost, there is also a staffing issue attached to having more children in care. Naturally, they are entitled to social work visits, their care plan is also reviewed every six months by an independent reviewing team and they are entitled to advice and support up to the age of 21, or 24 if still in full-time education. Alongside this, the carers of these children are provided with support by the authority or, if placed outside the authority, the placement is regularly quality assured.

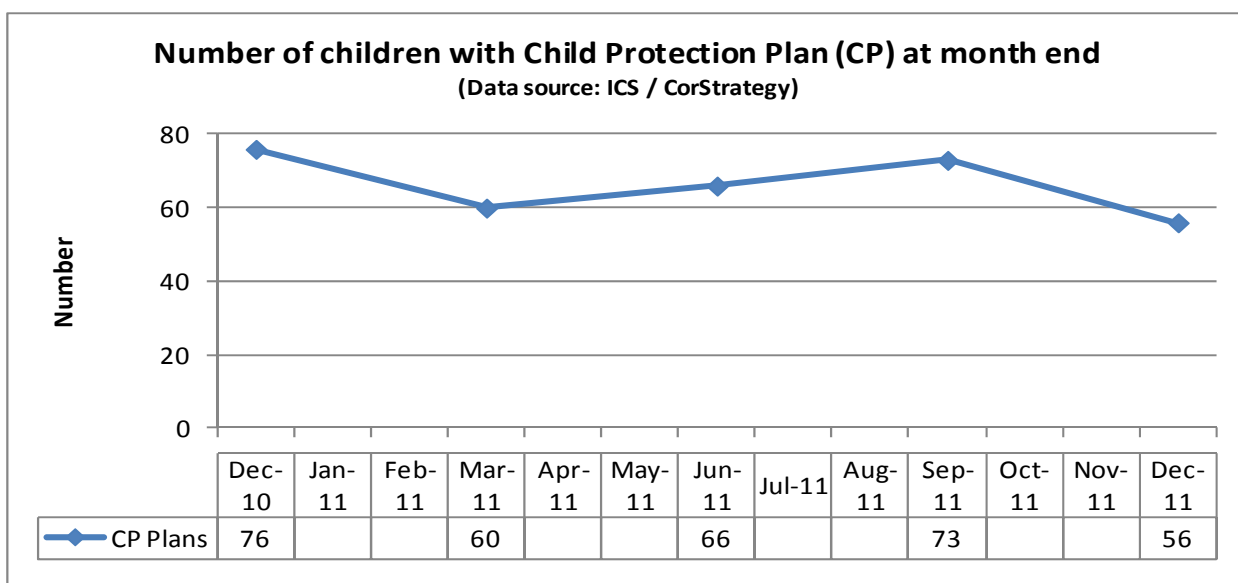


- 11.2. **Placements** - In December 2010 there were 44 high cost, out-of-authority placements. In December 2011 this had reduced to 29. Some of these placements cost the authority up to £6000 per week per child. Whilst a number of these children have extremely complex disabilities requiring highly specialised packages of care, there are others whose behaviours have escalated beyond the scope of our in-house provision. Through careful planning, working skilfully with young person and family and providing more creative packages of localised support, we have successfully brought a number of children back into local authority care; or, at the very least, returned them to the Island where they are within their community.

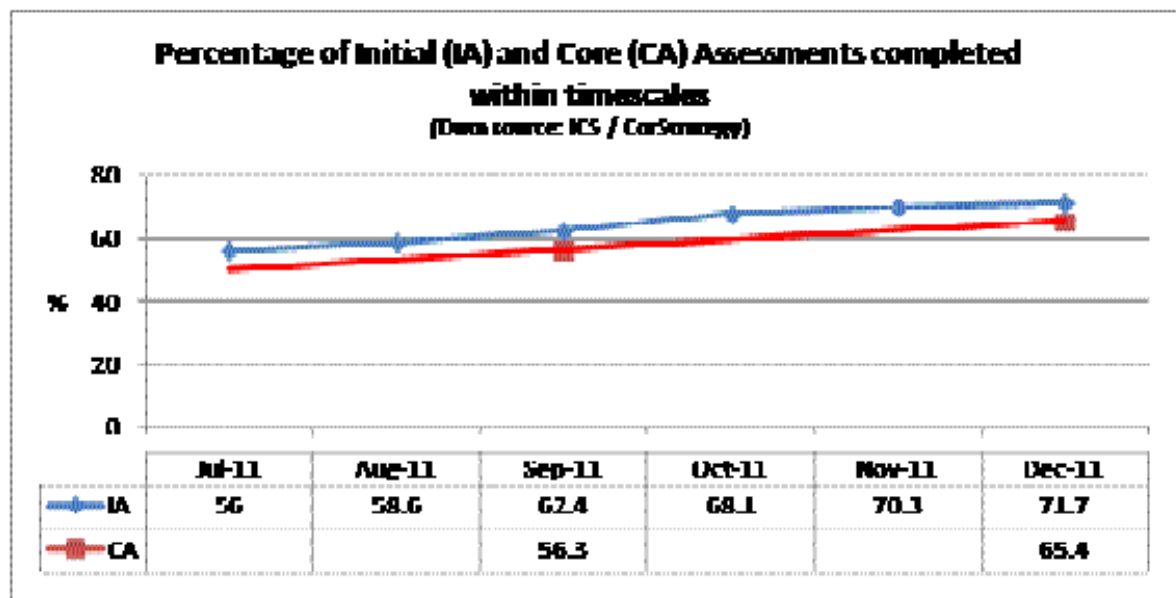


- 11.3. **Child Protection** - In December 2010 there were 76 children subject to child protection plans. In December 2011 there were 56. Whilst it is entirely appropriate that

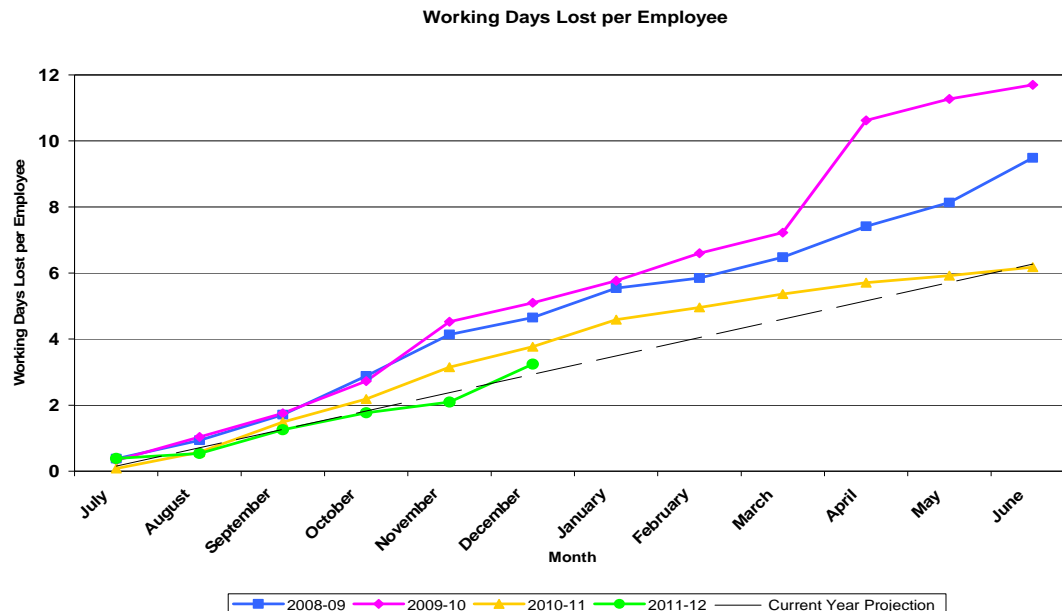
children who are at risk of significant harm are considered within a child protection framework, practice on the Island had resulted in higher than expected number of children being subject to child protection plans. In the first instance, children were being made subject to child protection plans at more than one point during their childhoods – suggesting that whatever had been put in place to bring down the level of risk was insufficient. Secondly, children were languishing on plans for two or three years – which is unacceptable practice: either the risk needs to be reduced so that the child is safe at home, or the child should be removed for their own protection. Finally, other factors were sometimes taken into account that were not strictly child protection concerns but nevertheless led professionals to err on the side of caution and leave children subject to a child protection plan beyond necessity. A number of fundamental changes to practice has helped to ensure that only those children at risk of significant harm are made subject to a child protection plan



- 11.4. **Assessments** – In December 2010, 42.8% of Initial Assessments and 66.4% of Core Assessments were completed within timescales. As of December 2011, there has been a marked and consistent improvement in timeliness for Initial Assessments. The timeliness of Core Assessments has similarly improved over the last six months. Whilst there have been some differing views as to the importance of statutory timescales within the assessment process, it is right and proper that children's needs are assessed and plans made to meet those needs in a timely manner and without delay for the child or family. A number of strategies have been put in place to ensure improved performance in this area. However, the singular, most important factor has been the ability to allocate work to staff in order to complete the assessment swiftly and competently.



12. Statistics such as the number of children in care, subject to Child Protection Plans or in out-of-authority placements can be directly affected by lack of, or turnover of social work staff. One of the key aspects to the social work role is the ability to create trusting, professional relationships that can lead to changes in behaviour. Having a stable and reliable social worker involved over time can prevent placement breakdown or ensure that case planning is followed and does not lead to drift or inconsistency of approach. In turn, this can reduce the numbers of children becoming subject to child protection plans, entering the care system or not containable within local authority foster care.
13. In June 2011, an Ofsted inspection of the Contact, Referral and Assessment functions was undertaken. This found a number of improvements compared to that undertaken in June 2010. Two areas of strength were identified (compared to one the previous year) and 12 areas were highlighted where 'statutory guidance was met' compared with nine the previous year. Only three areas for development were identified, compared with nine in 2010.
14. NB one of these three relates to the IT system not being fit for purpose; which was also one of the recommendations made in the Cabinet paper alongside the market supplement.
15. In August 2011, an Ofsted inspection of the Adoption service was undertaken. It graded the service 'Satisfactory with some aspects of good practice'; however inspectors made the following observations: 'Optimistic and positive for the future'; 'Strong managers and Consultant Social Workers in place'; confident that had the inspection taken place a year after the restructure (instead of a month) the service would be graded 'good'.
16. **Sickness absence**
Working days lost per permanent employee

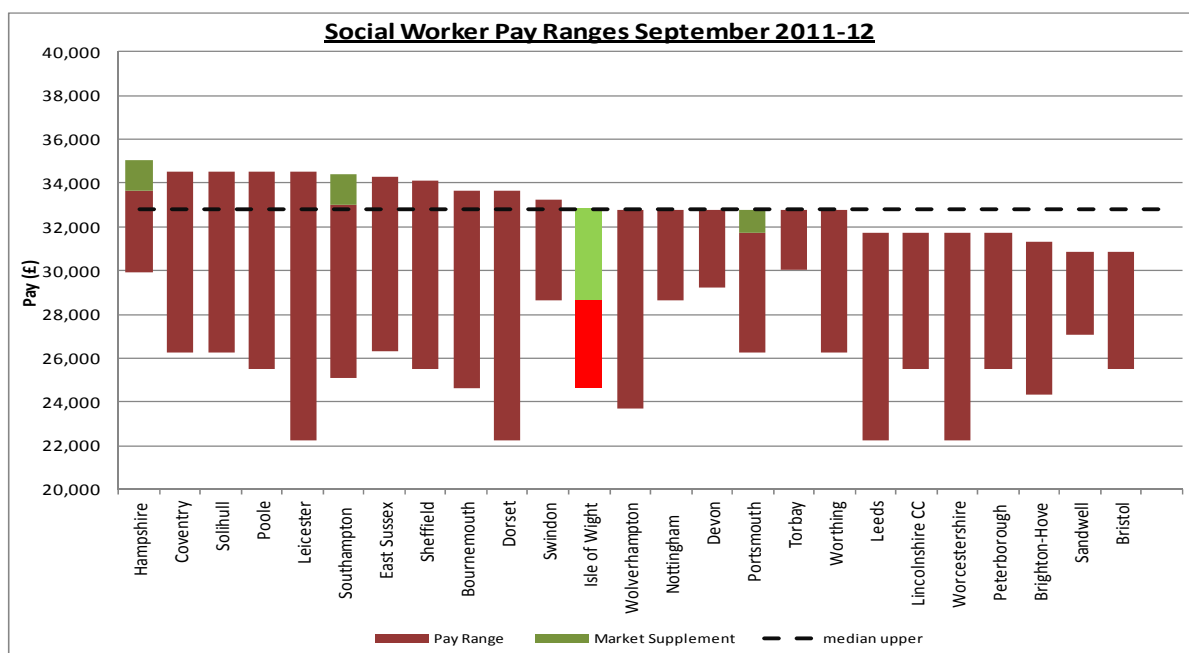


The chart above details a comparison of sickness absence (working days lost per permanent employee) over 4 years (with each year running from July to June, replicating the final implementation date of the Reclaiming Social Work mode.)The chart shows that current sickness absence rates are below that in previous years, and are forecasted to be no higher than last year.

The level of staff sickness is usually an indicator of an organisation's well-being. This has shown a steady decline over the last 12 months. It goes without saying that a reduction in sickness absence will improve the ability of the authority to discharge its statutory responsibilities more effectively as people are present to do the work. It also means less stress for remaining staff who might otherwise have to cover for absent colleagues, with the possibility of making poorer decisions due to pressure of workload. There is also likely to be additional pressures put on staffing budgets as agency staff are brought in to cover long term absence.

17. The regional context

Social Worker Salaries



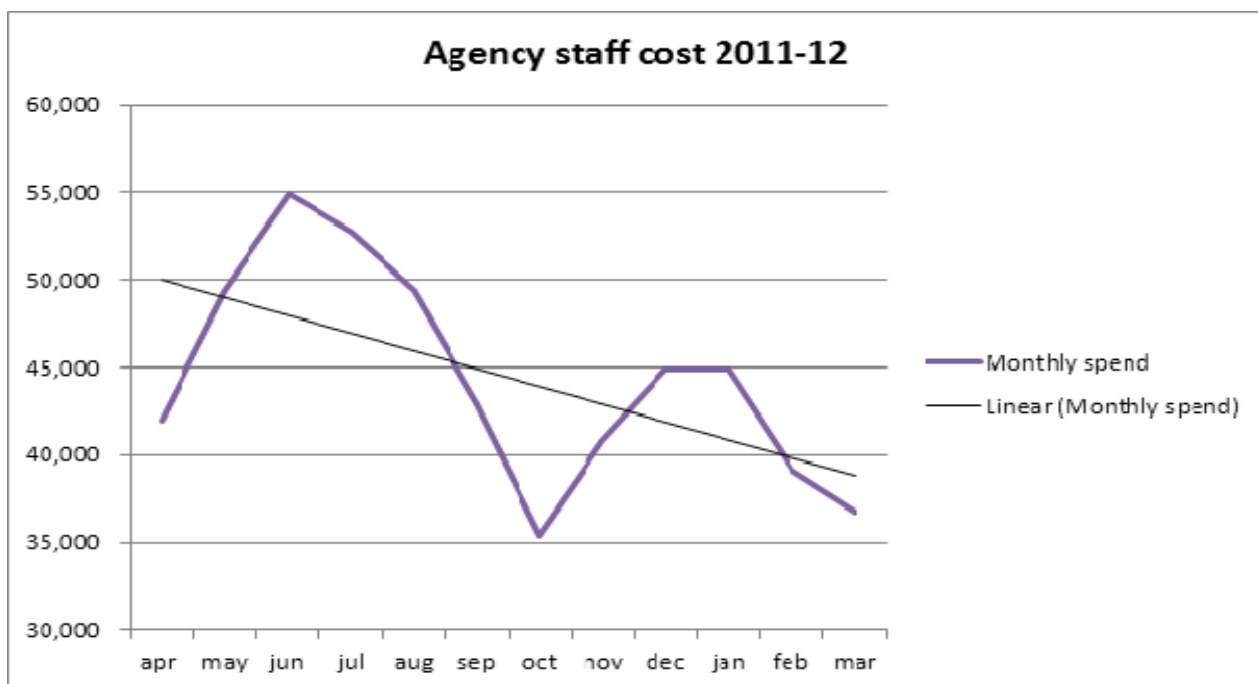
As can be seen, the starting salary point for social work posts is in the lower range of the 25 LA's examined; and the highest salary point is within the mean average. It is noteworthy to see that the IOW is one of only 4 authorities within the cohort who continue to use market supplements; the proportion of market supplement to total salary is also considerably higher on the island than in the remaining 3 authorities. All other authorities within the sample have reviewed the basic salary offer and adjusted accordingly. Whilst the staff group on IOW were unanimously pleased when the market supplement was introduced in 2010, the continued uncertainty about their future salaries and the potential to have the market supplement removed has caused understandable uncertainty amongst social work staff and has had an impact on feeling secure and valued within their role. It is more than probable that to remove the market supplement will lead to a higher turnover in staff and a necessity to resort to use of agency staff once more.

Some authorities have opted to reduce social work salaries – usually with regrettable results such as staff defecting to neighbouring authorities and a rise in the need to employ agency staff. Aside from the financial implications there are usually further, hidden consequences to these actions: loss of staff goodwill (inevitably, social workers work over-and-above their contracted hours and frequently make sacrifices within their family and personal lives for the job); reputational damage which will impact on the ability to recruit substantive post holders to vacant roles; and risks to practice through changes of social worker (it is well known that turnover of staff has a detrimental impact on case-planning and risk management.)

A recently published research article in the *British Journal of Social Work* found that the cost of investing in training new social work staff (a strategy that the IOW, in common with many authorities, uses to ease the recruitment crisis) is significantly more costly than investing in retaining existing staff. Whilst it would be unwise to cease future investment in 'growing our own' social workers completely, the salient point is that investment in retaining our existing workforce represents a better investment.

18. **Use of agency staff**

Agency Staff Expenditure – As of January 2012, the estimated spend on agency staff during 2011/12 is £540,274, with the monthly spend reducing during Quarters 3 and 4 (October to March) compared with Quarters 1 and 2 (April to September). Overall cumulative spend was £578,889 in 2010/11. This represents an estimated reduction in spend on agency staff in the current year compared with last year by approximately £40,000. This reduction has been achieved despite significant changes to staff and work practices as a result of the restructure. On average the use of agency childrens' social care staff versus salaried staff costs around 35% more and therefore it is key to keep this to a minimum. **NB please note that a number of maternity leaves + an interim Child Protection Chair role are continuing to be covered by agency staff, hence the level of spend appearing inflated.** The main use of agency staff has been to fill consultant social work vacancies. At this level of seniority the Isle of Wight needs to be able to attract applicants from the mainland. The uncertainty as to the future of the market supplement has reduced the pool of applicants prepared to take the risk.



At the time of writing this report (with the exception of the 'Children with Disabilities Team' who are in the process of being restructured) children's social care has just 4 vacancies – all at Consultant Social Work level – that are being filled by agency staff.

The fact that we currently have all posts filled with the exception of these 4, has been as a result of the twin attractions of the market supplement and the Reclaiming Social Work model. The vacancy rate is the lowest it has been in recent history. Inevitably, recruiting staff who are willing to commute or move to the island poses additional challenges within a market that is already low on capacity

STRATEGIC CONTEXT

- 19 The content of this paper relates directly to the corporate priority: Keeping children safe.

CONSULTATION

- 20 Consultation has taken place with staff and recognised trade unions regarding the market supplement arrangements. The perceived threat of the supplement being removed weighs heavily on people's minds and a number of approaches have been made by managers outlining their concern that the removal of the supplement will lead to an exit from the authority of large numbers of competent staff. This view has also been communicated to Unison who would support its permanent retention. A number of external recruitment campaigns have taken place over the last six months. During each of these, a number of interested candidates have phoned the authority regarding the status of the market supplement. Upon hearing that it was 'to be reviewed' they opted to withdraw from the interview process. A number of key posts have still not been filled (Consultant Social Workers) and it is highly likely that a direct contributing factor is the insecurity of the market supplement.

Unison would support the continuance of the market supplement on behalf of their members, although wider workforce considerations must be taken into account and the appropriate value of roles should be undertaken through Job Evaluation.

Whilst no external consultation has taken place regarding the retention of the market supplement, feedback has been received from partners, Looked After Children and Foster Carers that the quality of service received has improved. This has included observations that children in care are starting to see more of their social worker, that callers can phone the social work unit and speak to someone who knows their case even if the social worker is out on a visit; and that the quality of support provided by First Response (the 'front door' to children's social care) is extremely high.

FINANCIAL / BUDGET IMPLICATIONS

- 21 Permanent retention of the market supplement is dependent on the consolidation of the additional £500k within the children's social care budget as approved in the 2011/12 budget strategy. Children's social care is currently managing its base budget within available resources, and it is predicted that its challenging savings target for 2011/12 will be met in full. Sound plans are in place to deliver the savings identified in the draft budget for 2012/13. On that basis, the budget for payment of a market supplement is available on an ongoing basis, subject to the results of any future review arising from a job evaluation process.

CARBON EMISSIONS

- 22 The proposal will have no impact on carbon emissions.

LEGAL IMPLICATIONS

- 23 The level of salary assigned to a job role is a matter for determination by the Local Authority but due regard must be had to the Equality Act 2010, together with the Council's own policy and procedures for establishing levels of pay in order to avoid any potential equal pay claim. If the basic pay of children's social workers were to be significantly greater than that of other social workers, there could be a risk of an equal pay challenge. There is therefore a risk if we were to absorb the market supplement into social worker salaries.

The ability to discharge our statutory responsibilities effectively and make sound plans for children in our care is dependent upon adequate and appropriately competent staff in place to intervene. Our reputation with the courts has suffered in recent years but feedback from our own solicitors is that this is now beginning to improve and court deadlines more frequently being met. Some positive feedback has been given by local judges relating to individual staff's practice and the ability to persuade the court that our planning process is robust and credible is improving.

EQUALITY AND DIVERSITY

- 24 The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. Whilst it is considered that there is no direct impact on any of the protected characteristics in delivering the proposed recommendation within this report, as set out in the legal implications above it will be necessary to ensure that due process is undertaken in the review of pay and grading structures. Ofsted inspection

of our Adoption Service in Sep 11 commented on the diversity of our social care workforce.

PROPERTY IMPLICATIONS

- 25 There are no identified property implications.

SECTION 17 CRIME AND DISORDER ACT 1998

- 26 The nature of children's social work is to keep children safe from abuse and neglect. Inevitably, a lack of staff will compromise the authority's ability to do this satisfactorily. These services are highly regulated and open to a significant level of scrutiny, via the court process, inspection frameworks and through the complaints process.

OPTIONS

- 27 Option1 - Remove the funding for the market supplement and cease to pay a market supplement to children's social work staff
- 28 Option 2 - Consolidate the funding currently provided for the market supplement (£500k) so that, with the current market supplement and base salary that maybe amended as a consequence of the implementation of the new job evaluation scheme, children's social workers continue to enjoy their current salaries.

RISK MANAGEMENT

- 29 **Option 1:** The risk associated with removing the market supplement is that not only will the IW council fail to recruit staff when (a) there remains a national shortage of social work staff and (b) the IW has additional challenges in attracting staff from neighbouring authorities; but also that existing staff will leave the council. Nearby authorities are all advertising for social workers and are paying more than IW (excluding market supplement). This will leave the authority at risk of failing to meet its statutory responsibilities to keep children safe. It will also lead to increased costs in covering the vacant posts from agency staff. Significant effort has been made to retain permanent staff and dispense with agency social workers. It is not an option to hold a number of social work vacancies, particularly in an authority this size, and these statutory posts must be filled somehow. Aside from the cost factor, relying on agency staff who are not committed to the authority is not good for the organisation or for families.
- 30 **Option 2:** This option would provide children's social workers with an assurance that their overall salary levels are secure. In the coming months national and local initiatives, such as the implementation of a job evaluation scheme within the council, may mean that the proportion of salary that is paid as a market supplement may change. The additional funding to base budget however will ensure that the council remains in a position where it can compete effectively in recruiting and retaining staff.

EVALUATION

- 31 Should the market supplement be removed, the risk of losing a significant number of staff is medium to high. Staff morale and sickness levels prior to the market supplement were barriers to delivering effective services. Both of these areas improved following the recognition that IOW staff should be remunerated at the same level as colleagues in neighbouring authorities. To subsequently remove this

recognition and, once again, pay them less than other SE authorities will have a significant impact on the good-will and commitment of the staff group. Staff have been placed at risk and re-interviewed for their roles; they are currently going through the Terms and Conditions Review and to add to this a removal of the market supplement will cause damage that is possibly irreparable.

The market supplement led to measureable improvements in performance. These have been clearly demonstrated throughout this report. To consolidate the funding for the market supplement and give staff a confidence in their future salary levels, however the mix of market supplement and base salary may change, as a result of job evaluation will provide reassurance both to those currently employed by the council and those who may consider applying to join it. This will ensure that the progress made on the service's performance will continue

RECOMMENDATION

- 32 Option 2 - Consolidate the funding currently provided for the market supplement (£500k) so that, with the current market supplement and base salary that maybe amended as a consequence of the implementation of the new job evaluation scheme, children's social workers continue to enjoy their current salaries.

APPENDICES ATTACHED

- 33 None

BACKGROUND PAPERS

- 34 None

Contact Point: Ali Matthews, Deputy Director – Childrens Safeguarding
☎ 01983 821000 e-mail ali.matthews@iow.gov.uk

IAN ANDERSON
Strategic Director
Community Wellbeing and Social Care

COUNCILLOR LLLR DAWN COUSINS
Cabinet Member
Children's Services and Education